For Immediate Release:
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June 28, 2006

EVENT: Guilty Verdict

Defendant: Donny G. Douglas et al

ONE CURRENT UNION OFFICIAL AND ONE FORMER
UNION OFFICIAL WERE CONVICTED OF EXTORTION

A current union officer and a former union officer from southeastern Michigan were found guilty on June 27, 2006 by a federal jury in Detroit on charges of conspiracy to demand from General Motors Corporation (GM) the authority to amend the terms of the national labor agreement between GM and the United Auto Workers (UAW) when they were not authorized to do so; and in conjunction with that, they were found guilty of conspiring to extort skilled trades positions of employment from GM for two individuals whom the union officers knew were not qualified or entitled to these positions, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Federal Bureau of Investigation (FBI) Special Agent in Charge Daniel D. Roberts, and James Vanderberg, Special Agent in Charge, United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations.

Found guilty of both offenses were Donny G. Douglas, 65, of Holly, Michigan, who is

employed as a UAW International Servicing Representative; and Jay D. Campbell, 65, of Davisburg, Michigan, who, at the time of the offenses, was employed as the Chairman of the Shop Committee and chief negotiator for UAW Local 594.

The jury deliberated for about seven hours over a period of just one day before returning the verdicts, concluding a four-week trial before United States District Judge Nancy G. Edmunds.

.   The evidence presented at trial showed that between approximately August 1995 and August 1997, Douglas and Campbell, using their union positions, conspired to demand from GM the hiring of Campbell's son and another individual, who was the son of a former union official, into skilled trades positions, when Douglas and Campbell knew those two individuals were not qualified for those positions and when such hiring was in violation of the normal hiring process that existed in the union contract with GM. Furthermore, these demands by Douglas and Campbell threatened to delay or prevent the settlement of various negotiations that occurred between Local 594 and GM during those three years, culminating with the threat to prolong an 87 day strike that occurred in 1997. As a result of these illegal demands by Douglas and Campbell, the two individuals were hired by GM into skilled trades positions so as to avert the continuation of the strike in 1997.

"Criminal extortion increases the costs of doing business for our local employers and contributes to undermined confidence in the integrity of our community's essential commercial activity," said United States Attorney Murphy. "We will never relent in our efforts to investigate, uncover, and prosecute to the fullest extent of the law any criminal extortion activity like this, which we consider to be serious and abusive of voluntary participation in the marketplace."

Both charges are felonies, and carry a maximum sentence of five years imprisonment and a $250,000 fine under the Taft-Hartley Act, and a maximum sentence of 20 years imprisonment and a $250,000 fine under the Hobbs Act.

Murphy commended the work of the agents of the United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, and the FBI.

A sentencing date of November 2, 2006 has been set. The case was prosecuted by Assistant United States Attorney James M. Wouczyna and Trial Attorney Vincent J. Falvo, Jr. from the Organized Crime and Racketeering Section, Labor Management Unit in Washington, D.C., and assisted by agents of United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations and the FBI.